

CHattel Mortgage

CHARTER NEW YORK LEASING CORPORATION

1 Wall Street

New York, New York, 10005

7287

RECORDATION NO. _____ Filed & Recorded

JAN 2 1974 -3 05 PM

INTERSTATE COMMERCE COMMISSION

MORTGAGOR JOHN G. TROIANO, TRUSTEE OF THE PROPERTY OF THE LEHIGH AND HUDSON RIVER RAILWAY COMPANY, DEBTOR	ADDRESS 21 River Street P.O. Box F	TELEPHONE 914-986- 2611 212-697- 9672	CITY Warwick	STATE/ZIP New York 10990
-----	ADDRESS	TELEPHONE	CITY	STATE/ZIP

QUANTITY	PROPERTY MORTGAGED - DESCRIPTION, MODEL OR CATALOG NO., (OTHER INFORMATION)
Locomotive Engines	American Locomotive Company (manufacturer) Century 420 Class, 2,000 horsepower as follows: No. 29 manufactured July 7, 1966 Serial No. 3463-03 No. 24 manufactured March 30, 1966 Serial No. 3431-02 No. 23 manufactured March 30, 1966 Serial No. 3431-01 No. 27 manufactured July 5, 1966 Serial No. 3463-01

LOCATION OF EQUIPMENT (IF DIFFERENT FROM MORTGAGOR'S ADDRESS)

Warwick, New York-same address as Mortgagor

CITY	COUNTY	STATE	ZIP
------	--------	-------	-----

Term of Agreement: 24 months Monthly payment date: \$9,603.34 day of each month

This CHATTEL MORTGAGE, made and entered into this 28 day of December, 19 73,
by and between the Mortgagor identified above and Charter New York Leasing Corporation, (hereinafter referred
to as "Mortgagee").

WITNESSETH:

1. This Mortgage is given to secure payment of the indebtedness in the sum of Two Hundred
Thousand and no/100----- Dollars (\$ 200,000.00) *which is
hereby admitted and is acknowledged and evidenced by a note of even date herewith (the "Note") which Mortgagor
agrees to pay in 24 successive monthly installments of Nine Thousand Six Hundred Three and 34/100
(\$ 9,603.34) each, commencing on the 1st day of February, 1974, and continuing
on the same ~~date~~ xxx of each month thereafter until fully paid. If any instalment is not paid within ten (10) days
after due date, Mortgagor agrees to pay a late charge of five cents (5¢) per dollar on, and in addition to the
amount of said instalment, but not exceeding the maximum lawful charges.

2. Mortgagor hereby acknowledges the receipt of value from Mortgagee ~~which constitutes the full~~
~~amount of the loan and the interest thereon~~ and Mortgagor hereby
*plus interest at the rate of 14% per annum,
**the final payment being due and payable on December 26, 1975.

grants, assigns, transfers, pledges, conveys and mortgages to Mortgagee ^{the described above} such property and all present and future attachments, accessions and additions thereto, substitutions, accessories and equipment therefor and replacements thereof, (all of which are hereinafter called the "Chattels"), to have and to hold the Chattels unto Mortgagee and Mortgagee's sole use forever.

3. In case of failure of Mortgagor to comply with any provision of this Mortgage, Mortgagee shall have the right, but shall not be obligated, to effect such compliance in whole or in part and all moneys spent by, and expenses of, Mortgagee shall be paid by Mortgagor to Mortgagee forthwith and shall bear interest at the rate of 1/30th of 1% per day but not to exceed the maximum permissible contract rate of interest if not so paid. No effecting of such compliance by Mortgagee shall not constitute a waiver of Mortgagor's default. All such moneys spent by, and expenses of, Mortgagee and any other obligation assumed or incurred by Mortgagee in effecting such compliance, shall constitute so much additional indebtedness and be secured by this Mortgage. The Chattels shall, until all of the indebtedness and obligations secured hereby be paid, be kept at the above locations, and not be removed from any of said locations without Mortgagee's prior written consent. The Chattels shall not become part of any freehold and shall remain personal property at all times.

4. Mortgagor warrants that all Chattels are and will be in good condition and repair, that Mortgagor is the sole and lawful owner and is in possession of the Chattels described herein, and has the sole right and lawful authority to make this Mortgage; said Chattels and every part thereof are free and clear of all liens and encumbrances of every kind, nature and description. Except for this Mortgage, Mortgagor warrants that all the Chattels will remain free and clear of all liens and encumbrances of every kind, nature and description and that the Mortgagor shall remain the sole and lawful owner and in possession of the Chattels. Mortgagor will warrant and defend the Chattels against all claims by all persons. Mortgagor, at its own cost and expense, will keep the Chattels in a good state of repair, will not waste or destroy the same or any part thereof and will not be negligent in the care and use thereof.

5. If Mortgagor defaults in the payment of any instalment or other sum payable hereunder for more than 10 days from the date such payment is due, or if Mortgagor breaches any of the other terms hereof or of the Note or of any other obligation of Mortgagor to Mortgagee, ~~and if Mortgagor becomes insolvent or ceases to do business as a going concern, or if a receiver is appointed for Mortgagor or for any of its property, or if an assignment for the benefit of creditors is made by or for Mortgagor, or if Mortgagor makes an assignment for the benefit of creditors, or property of Mortgagor be attached or a receiver be appointed for Mortgagor or any of Mortgagor's property, or if the Chattels or any part of them be lost, secreted, abused, illegally used, misused or destroyed, or whenever Mortgagee may deem the indebtedness or Chattels insecure, the indebtedness herein described and all other debts then owing by Mortgagor to Mortgagee shall at the option of Mortgagee and without notice accelerate and become due and payable forthwith, and Mortgagor hereby authorizes Mortgagee to enter with or without legal process any premises where the Chattels may be and take possession thereof. Mortgagor will upon default at request of Mortgagee assemble the Chattels and make the Chattels available to the Mortgagee, in whole or in part as requested, at such place or places designated by the Mortgagee as are reasonably convenient to both Mortgagor and Mortgagee. Mortgagee may foreclose this Mortgage in any manner provided by law. To the extent not forbidden by law, Mortgagee may sell the Chattels at private or public sale, in bulk or in parcels, with or without notice, without having the Chattels present at the place of sale, and Mortgagee may bid and purchase; or Mortgagee may lease or otherwise dispose of all or part of the Chattels. The proceeds of sale, lease or other disposition shall first be applied to all costs,~~

charges and expenses incurred in taking, removing, holding, repairing and selling the Chattels and a reasonable sum as attorneys' fees; then, to pay all sums remaining unpaid hereon; then, to the expense of paying or settling liens and claims against the Chattels; then, any surplus shall belong to Mortgagor. Mortgagor agrees to pay any deficiency forthwith. All remedies herein are cumulative and any or all thereof may be exercised in lieu of or in addition to, any remedies at law, in equity, or under statute. Mortgagor waives demand of performance and place of sale and manner and place of advertising in the event of foreclosure.

6. Until any default, Mortgagor shall remain in possession of the Chattels. Mortgagor shall not sell, rent, lend, mortgage, encumber or transfer any of the Chattels. Mortgagor shall pay promptly when due all taxes, license fees, assessments and public and private charges levied or assessed on any of the Chattels or on the use thereof or on this Mortgage or on the Note. The Chattels shall at all times be at Mortgagor's risk and Mortgagor shall keep them insured against loss or damage by fire and extended coverage perils, theft, burglary, and where requested by Mortgagee, against other risks, for the full insurable value thereof, in companies, in amounts and under policies acceptable to Mortgagee, with loss payable to Mortgagee and Mortgagor as their interests may appear and Mortgagor shall, if Mortgagee so requires, deliver to Mortgagee policies or certificates of insurance evidencing such coverage. Each policy shall provide for ten (10) days written notice to Mortgagee of the cancellation or material modification thereof. Waiver of any default shall not be deemed a waiver of any other or subsequent defaults. Mortgagee may correct patent errors herein and fill in blanks. All notices from Mortgagor shall be sufficiently given if mailed or delivered to Mortgagor at Mortgagor's address shown above. If permitted by law, Mortgagor authorizes Mortgagee to file a Financing Statement with respect to the chattels signed only by Mortgagor.

7. This Mortgage shall be binding, jointly and severally, upon all parties described as the "Mortgagor" and its respective heirs, representatives, successors and assigns, and shall inure to the benefit of "Mortgagee", its successors and assigns. If any provisions of this Mortgage are in conflict with any statute, rule or law applicable, then such provisions shall be deemed null and void to the extent that they may conflict therewith, but without invalidating any other provisions hereof. This Mortgage cannot be changed or terminated orally. Mortgagee is hereby granted power to execute and file on behalf of the Mortgagor, or without Mortgagor's signature where permitted by law, applications for title, transfers of title, financing statements, notices of lien and other documents pertaining to any or all of the Chattels. Mortgagor agrees to furnish in a form satisfactory to Mortgagee its annual financial statements and such interim statements as Mortgagee may require. Any and all financial statements submitted and to be submitted to Mortgagee have and will have been prepared on a basis of generally accepted accounting principles, and are and will be complete and correct and fairly present Mortgagor's financial condition as at the date thereof. Mortgagee may at any reasonable time examine the books and records of the Mortgagor and make copies thereof. Time is of the essence hereof. Mortgagor agrees to obtain and furnish to Mortgagee real estate, landlord and mortgagee waivers upon request of, and in form satisfactory to Mortgagee. This Mortgage and the Note may be assigned without notice to the Mortgagor and when so assigned shall be free from any defense, counterclaim or cross-complaint against any assignee.

8. If Mortgagor is a corporation, this Mortgage is executed by a duly authorized person, Mortgagor

acceptance hereof. This instrument is entered into pursuant to Order made by Hon. Robert J. Ward, U.S. District Judge, United District Court, Southern District of New York on October 15, 1973 in Proceedings of Debtor BKCY No. 72 B.419.

ATTEST:

JOHN G. TROIANO, TRUSTEE OF THE PROPERTY OF
THE LEHIGH AND HUDSON RIVER
RAILWAY COMPANY, DEBTOR

(WITNESS OR SECRETARY - NAME AND TITLE)

(NAME OF MORTGAGOR)

(SEAL)

(TYPE OR PRINT NAME OF ABOVE SIGNER)

By

(NAME AND TITLE)

JOHN G. TROIANO, TRUSTEE
(TYPE OR PRINT NAME OF ABOVE SIGNER)

~~XX~~
 CHARTER NEW YORK LEASING CORPORATION

B₂

NAME AND TITLE

(TYPE OR PRINT NAME OF ABOVE SIGNER)

STATE OF NEW YORK)
COUNTY OF NEW YORK) ss

On this 28th day of December, 1973, before me personally appeared JOHN G. TROLANO, to me known to be the person described in and who executed the foregoing instrument and he acknowledged that he executed the same as his free act and deed.

William L. Kennell
Notary Public

Seal of the Notary Public
My commission expires
STATE OF NEW YORK)
COUNTY OF NEW YORK) ss

WILLIAM F. CONNELL
Notary Public, State of New York
No. 44-0729020 Qual. in Rockland Co.
Certificate filed in New York County
Commission Expires March 30, 1975

On this 28th day of December, 1973, before me personally appeared ROBERT J. CULLEN, to me personally known, who being by me duly sworn, says that he is the Executive Vice President and General Manager of CHARTER NEW YORK LEASING CORPORATION, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of ~~XXXXXX~~
said corporation.

William Farnell